26. P. G. B. Sea Foods (P) Limited, Visakhapanam.

27. Durga Marine Exporters, Vijayawada.

28. Western Watercraft & Fishing (P) Limited, Visakhapatnam.

29. Vasundara Ocean Products (P) Limited, Visakhapatnam.

30. Deep Sea Ventures (P) Limited, Secunderabad.

31. Pron Magnate (P) Limited, Vishkhapatnam.

32. Kumar Fisheries, Hyderabad.

33. Overseas Fisheries Limited, Andhra Pradesh.

34. Seenu Fishing (P) Limited, Visakhapatnam.

35. Sita Sea Foods (P) Limited, Kakinada.

36. Sri Panchajanya Marine Products (P) Limited, Kakinada.

37. Baby Marines, Kakinada.

38. Sri Vijaya Sagar Foods (P) Limited, Visakhapatnam.

39. Vedullapalli Sea Foods (P) Limited, Hyderabad.

40. Mermaid Fisheries, Guntur (A.P.)

41. Sri Lakshmi Balaji Sea Products, Andhra Pradesh.

42. Gundaru Sea Foods (P) Limited. Hyderabad.

43. Manepalli Marine Products, Andhra Pradesh.

44. Sri Hanumant Balaji Oil (P) Limited, Hyderabad.

45. Sri Venketeswara Bricks & Building Material Industrial Co-operative Society Limited, Hyderabad.

46. Raja Fisheries (P) Limited, Guntur.

Processing of fruits and vegetables

*534. SHRI KRISHAN LAL SHARMA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) names of fruits and vegetables being processed in the country at present;

(b) whether Government have assessed their demand in foreign countries; and

(c) if so, the results of the assessment and action being taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI GIRIDHAR GOMANGO): (a) to (c) The fruits and vegetables processing units set up in the country are capable of processing all types of fruits and vegetables. However, the prominent fruits and vegetables which are processed are mango, pineapple, guava, banana, papaya, apple, orange, peach, beans, potato, tomato, peas and onions. No market survey to assess the demand of processed fruits and vegetables in foreign countries has been conducted but Agricultural and Processed Products Export Development Authority (APEDA) has made a general assessment of the export potential of processed fruits and vegetables. APEDA has estimated that India could achieve exports of 1,30,000 tonnes of processed fruits and vegetables by 1996-97. APEDA has formulated a number of scheme's to boost the exports of processed fruits and vegetables .

Sachar Committee recommendation on companies under the Companies Act

535. SHRI CHIMANBHAI MEHTA:
SHRI V. NARAYANASAMY:

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) the major recommendations of the Sachar Committee on companies and M.R.T.P. Act and when were these received;

(b) the details of recommendations implemented or that are being considered and those which have been rejected;

(c) whether Government would expedite the implementation of the recommendations for separate classification for small companies having paid up capital upto Rs. 5 lakhs; and

(d) what are the recommendations of the Committee for small companies?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI K. VIJAYA BHASKARA REDDY): (a) and (d) The High Powered Expert Committee on Companies and M.R.T.P. Act (Sachar Committee) submitted its report to the Government on 29th August, 1978. Some of the major recommendations of the Committee and implemented are indicated in Statement (*See below*) The recommendations of the Committee for amendment of the Companies Act, 1956 which have not yet been implemented are under consideration of the Government. There is, however, at present, no proposal to consider furth amendments to the M.R.T.P. Act, 196

(a) and (d) The Committee, *int alia*, recommended that private compa ies may be further classified into sm private companies having a paid up c pital not exceeding Rs. 5 lakhs an others and further exemptions and priv leges granted to small private companie To qualify for further exemptions ar privileges a small company must sati fy the following two conditions:—

(i) it does not have a body corpo rate other than a Government con pany or a statutory body or a publi financial institution or a bank as i shareholders; and

(ii) it does not invest in the share of another body corporate.

The suggestion is under consideratio of the Government.

Statement

Sl. No.	Recommendations in brief	Manner of implementation
	COMPANIES ACT, 1956	
1.	Expenses on advertisement in a Souvenior by or on behalf of a political party or for its advantage should be deemed to be political contribution and recepient of contribution inevioiation of the provision be as guilty as the giver.	Section 293A has been amended by the Companies (Amedment) Act, 1985 to provide that Advertisements in a Souvenior by or on behalf of a political party or for its advantage shall be deemed to be political contribution.
2.	That the Clauses (a) and (b) of sub-section (1) of section 530 should be interchanged to give priority to workmen's dues. Further instead of only four months wages being treated as preferential creditors, wages for 12 months should be treated as preferential.	Section 529 and 529A have been amended by the Companies (Amendment) Act, 1985 to give an overriding preferential trea ment to workmen's dues and it has been provided that they shall rank *pari-passu* with secured creditiors. Section 530 has also been amended to omit reference to compensation payable under Industrial Disputes Act in clause (b) and proviso to sub-section (2) have also been omitted by Companies (Amendment) Act, 1985.

Sl. No.	Recommendations in brief	Manner of implementation
3.	The definition of Company Law Board be modified and C.L.B. be included in the definition of "Court" so as to empower it to impose penalties for contravention of certain provisions of the Act.	Section 10E has been amended by the Companies (Amendment) Act, 1988 to confer powers on C.L.B. to exercise and discharge such functions as may be conferred to the Board by the Central Government or the provsions of the Act.
	That the powers of preventing the change in the Board of Directors which are likely to be prejudicial to the Company's interest should be conferred on the Company Law Board.	Sec. 408 sub-section (1) & (2) have been suitably modified to confer powers on the Company Law Board to pass orders directing Central Government to appoint such number of persons on the Board of Directors for a period not exceeding 3 years as may be deem fit. Such an order can be passed on a reference made by the Central Government or on an application submitted to it by specified number of members. Company Law Board may also remove the auditors already appointed and appoint another auditor in its place. Sec. 409 has also been amended.
	*The Section 408 to be so amended as to give an opportunity of hearing the management of the company and every order passed under that section should be recorded in writing and state reasons for passing the same.	
	*Company Law Board should be empowered direct investigation under section 237(b) instead of Central Government.	Section 237(b) has been also modified by amendment in 1988 empowering Company Law Board to appoint inspectors for carrying out investigation into the affairs of the company in specified circumstances.
4.	The companies with paid up capital of more than 50 lakhs should have a wholetime Director or Managing Director and their appointment and remuneration within the prescribed limit should be permitted to be fixed by passing an appropriate resolution of the company in General Meeting.	Section 269 has been modified by Companies (Amendment) Act, 1988 requiring a company having prescribed capital to compulsorily appoint a Managing Director or wholetime Director or a Manager. Section 269 and Schedule XIII of the Companies Act has been suitably modified to empower company to appoint Managing Director or Wholetime Director in General Meeting and fix their remuneration provided the same is within the limits indicated in the Act and Schedule XIII.
5.	Provisions of transfer of shares be modified to assimilate provisions of sections 111 and 155 into one section and Board of Directors be permitted to refuse transfer of shares only on the grounds specified in the section.	Section 111 has been redrafted accordingly.
6.	Maintenance of accounts should be on accrual basis and according to double entry system of book keeping.	Section 209 has been amended by the Companies (Amendment) Act, 1988 requiring a company to maintain its books of account on accrual basis and according to double entry system.
7.	Director's report to disclose additional information *e.g.* conservation of energy, technology absorption, foreign exchange earning and outgo and details of remuneration of employees beyond prescribed limit.	Section 217 and 217(2)A have been amended to disclose the additional information and rules have been framed for such disclosure.

Sl. No.	Recommendations in brief	Manner of implementation
8.	Manner of computation of maximum number of audits which can be accepted be specified.	Section 224(1)B has been suitably modified :
9.	Provisions regading appointment, resignation etc. applicable to a statutory auditor under the Companies Act should also apply to Cost Auditor.	Section 233B has also been amended by Companies (Amendment) Act, 1988 to provide that section 224(B) shall be applicable in the matter of appointment, resignation etc to the Cost Auditor as it applies to the Statutory Auditor.
10.	Penalty for default in repayment of fixed deposits by the company on maturity should be enhanced.	Section 58A has been modified by Companies (Amendment) Act 1988.
11.	Registrar of Companies be empowered to allow 30 days relaxation for delay in filing charges in addition to existing period of 30 days already permitted.	Section 125 has been modified suitably by Companies (Amendment) Act, 1988 conferring power on the Registrar to grant further relaxation of 30 days for filing the charges.
12.	Monetary limit for the purposes of payment of remuneration for holding office of place of profit be increased.	Section 314 has been amended to empower Central Government to prescribe the monetary ceilings. The ceilings have been raised by issue of notifications.

MONOPOLIES AND RESTRICTIVE TRADE PRACTICES ACT, 1969

(a)	Definition of 'goods' in section 2(e) be revised to include stocks and shares.	Implemented by amendment of section 2(a) by M.R.T.P. (Amendment) Act, 1991.
(b)	The existing criterion of one-third share of market should be reduced to one-fourth for purposes of determining dominace.	Implemented by amendment of section 2(d) by M.R.T.P. (Amendment) Act, 1982.
(c)	There is no justification for exempting Government companies and Government control/owned undertakings from the control and prohibition monopolistic restrictive and unfair trade practices.	Implemented by notification GSR No. 605(E) dated 27-9-91, according to which the provision of the Act shall apply to undertakings specified in clauses (a), (b), (c), (e), (f) and financial institutions under clause (g) of section 3 of the Act, except certain undertakings.
(d)	Provisions contained in section 108A to 108H be transferred to M.R. T.P. Act.	Amendments were accordingly made by the M.R.T.P. Act, 1984. These provisions have since been again inserted in the Companies Act by the M.R.T.P. (Amendment) Act, 1991.
(e)	Provisions relating to unfair trade practices be introduced in the Act.	Implemented by introducing new provisions *i.e.* Section 36A to 36E inserted by M.R.T.P. (Amendment) Act, 1984.
(f)	Provisions be made for recovery of loss or damage on account of trade practices, as also remedy for 'class action'. It was also suggested that Commission be vested with the powers to grant interim injuctions.	Provisions have been made by inserting sections 12A, 12B and 12C by the M.R.T.P. (Amendment) Act, 1984.